Alberta College of Art

Annual Report
1990-91

Letter of Transmittal

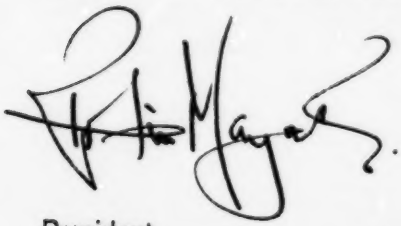
The Honourable John Gogo
Minister of Advanced Education
Edmonton, Alberta

Dear Mr. Gogo:

On behalf of the Board of Governors of the Alberta College of Art, and in accordance with the provisions of the Colleges Act, I am pleased to submit the Annual Report of the Alberta College of Art for the year ending June 30, 1991.

Yours truly,

Chairman of the Board of Governors



President

President's Message

The Alberta College of Art was able to meet its educational objectives but was again unable to expand them as anticipated in the College's Institutional Plan. This year "living within constraints" began to have some impact upon the quality of education and the amount of positive energy generated. Nonetheless, new initiatives were devised and even in these difficult times the quality of staff and students at ACA is demonstrated through a unique spirit of cooperation and collegiality to resolve problems.

We are not yet where we want to be but we have the commitment, the confidence and determination to get there, and although where there is is a constantly moving target in need of perpetual re-definition, once again we (that is all constituencies of the College) will be spending a lot of time in the next year re-defining the goals of where we are going and how we are to get there. For we know that unless we do, we will cease to be leaders in our field. Concurrently we search for inventive ways to deal with the budgetary difficulties that all educational institutions are confronting. It is important in times like these that these problems be seen in context.

- There are four Colleges of Art in Canada. Nova Scotia, which is probably the best known internationally based on its innovative programs in the 70's, Emily Carr on the opposite coast, Ontario College of Art, the oldest, and the Alberta College of Art which we believe is the best.
- We have the best space on a per student basis, the best professional gallery program, and consistently high standards in 10 professional programs.
- We have the most professionally active faculty who are committed to excellence both as artists and as educators, and we have a supportive and effective staff and administration.
- We have a distinguished alumni of whom we are justifiably proud and a student body second to none that I have previously met.
- We have free student exchange programs with all other Art Colleges in Canada, eight Colleges of Art in the United States, six other Universities and Colleges in Europe and Australia.
- 92% of our Visual Communication students get jobs annually in their area of training and education.
- Last year the fundraising initiative of the Board of Governors culminated in private sector donations in excess of $500,000 for replacement and upgrading of capital equipment. We expect an equal amount of government matching grants which will be used to create a permanent endowment fund to maintain these assets.
- And we have a significantly larger Student Scholarship Endowment than any of the other Art Colleges in Canada (more than double that of the next highest).

So it is of value to remember as we confront the vexing problems that we do face, that they do not represent our total perspective.

Robin Mayor
President

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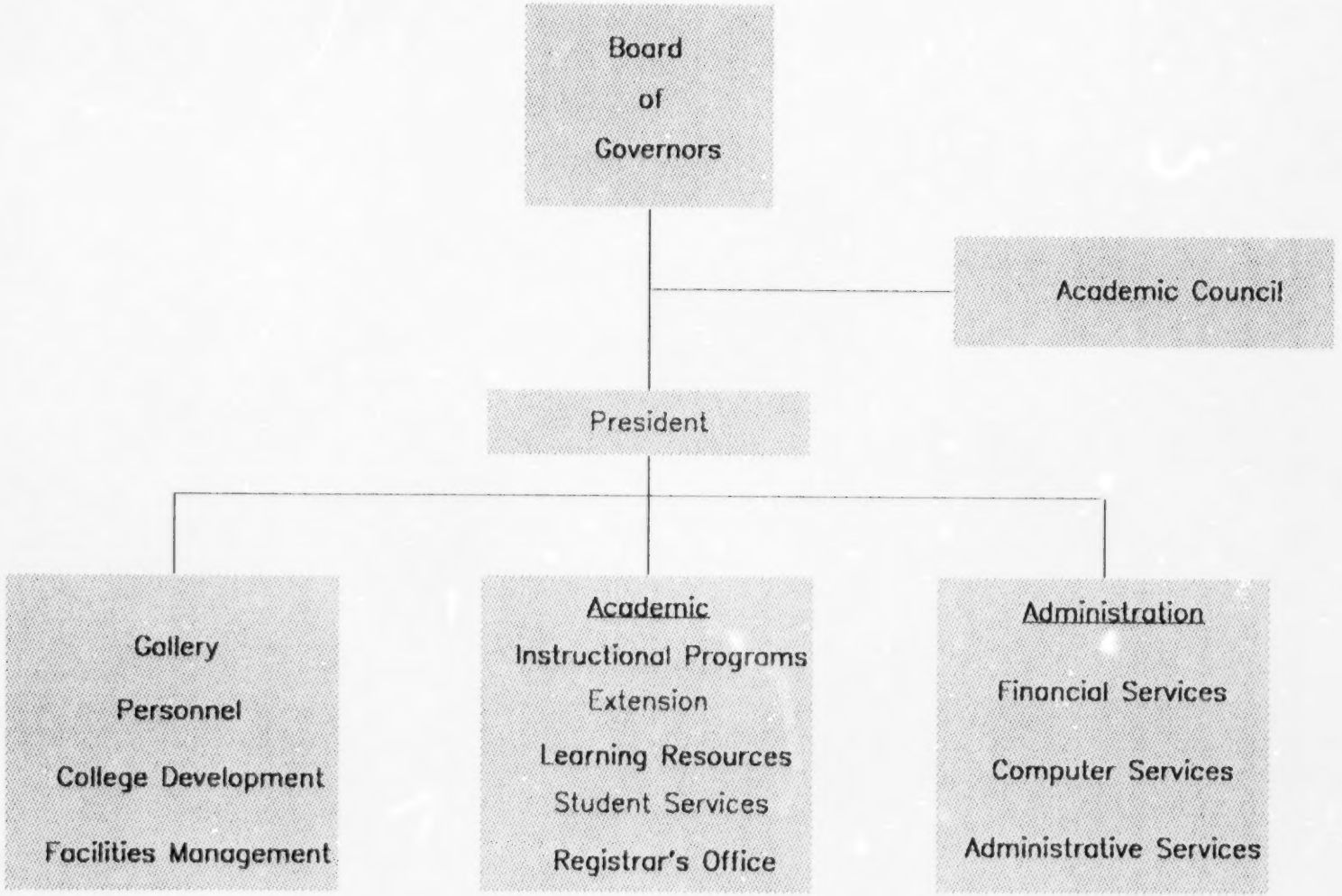
Alberta College of Art Board of Governors

Dale Simmons, Chairman
Robin Mayor, President

F. Garfield Anderson
Margaret Andrekson
Don Becker
Malcolm Bryce
Mary Scott
Barbara Joffe
Kevin Bird
Pauline Prins
Saskia Krul

Organizational Chart



FIVE YEAR COMPARISON OF ENROLLMENT

Comparison of Credit Program Enrollment

(FTE = Full Time Equivalent Student)

Year	Summer/Fall			Winter / Spring			Total FTE	Graduates
	Full Time	Part Time	FTE	Full Time	Part Time	FTE		
1990 / 91	576	134	322	556	221	318	626 (632)	95
1989 / 90	603	177	329	577	203	324	653	115
1988 / 89	620	188	343	575	257	331	674	114
1987 / 88	650	146	346	629	232	349	695	95
1986 / 87	631	60	331	593	147	327	658	95

NOTE: The 1990/91 calculation of enrollment has been modified to conform with the Provincial Government's Common Information System. This results in a slightly lower Full Time Equivalent statistic and therefore the FTE indicated in paranthesis is provided for comparison with previous year's calculations.

Non-Credit Enrollment

	Students	Student Hours	Courses
1990 / 91	749	20,383	65
1989 / 90	601	19,551	48
1988 / 89	406	12,912	30
1987 / 88	359	10,770	33
1986 / 87	386	12,678	33

Faculty and Staff Summary by Category

	Full Time		Part Time		Total FTE 1990 / 91	Full Time Equivalent			
	Head Count	FTE	Head Count	FTE		1989/90	1988/89	1987/88	1986/87
Instructional	51	44.4	87	22.5	66.9	64.3	63.4	62.1	67.2
Administrative	19	17.1	-	-	17.1	17.1	16.5	11.8	13.5
Support	33	28.9	126	10.1	39.0	39.5	38.3	33.3	39.4
TOTAL	103	90.4	213	32.6	123.0	120.9	118.2	107.2	120.1

NOTE: The calculation of Full Time Equivalent staff was changed in 1987/88 to reflect a full fiscal year as the base for full-time staff, rather than the academic year. This calculation results in a slightly lower FTE than the corresponding statistics for previous years.

Library Holdings

	Books	Periodicals	Slides	Micro Materials	Films / Videos
1990 / 91	15,878	83	92,682	519	218
1989 / 90	14,790	83	88,700	498	205
1988 / 89	13,814	81	85,000	477	203
1987 / 88	12,336	81	80,000	446	199
1986 / 87	11,551	82	75,000	416	131

Leased Space *

Year	Gross Area (m^2)
1990 / 91	24,754
1989 / 90	24,754
1988 / 89	24,754
1987 / 88	24,754
1986 / 87	24,754

* All space is leased from the Southern Alberta Institute of Technology

AUDITOR'S REPORT

To the Board of Governors of the Alberta College of Art

I have audited the statement of financial position of the Alberta College of Art as at June 30, 1991 and the statements of changes in fund balances and changes in equity in capital assets for the year then ended. These financial statements are the responsibility of the College's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 1991 and the result of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting as described in Note 2 to the financial statements.

Donald D. Salmon
FCA
Auditor General

Edmonton, Alberta
October 9, 1991

STATEMENT OF FINANCIAL POSITION
JUNE 30, 1991

ASSETS	1991	1990
Cash and short-term deposits	$1,564,946	$1,068,082
Accounts receivable (Note 3)	143,064	124,116
Inventories	197,603	197,235
Prepaid expenses	73,391	62,011
Capital assets (Note 4)	2,758,065	2,728,435
	$4,737,069	**$4,179,879**

LIABILITIES, EQUITY AND FUND BALANCES

Accounts payable	$ 83,699	$ 241,019
Deferred revenue	23,041	25,456
	106,740	266,475
Equity in capital assets	2,758,065	2,728,435
Fund balances		
Operating	118,423	168,034
Capital	54,311	(453)
Restricted (Note 5)	1,209,350	897,810
	1,382,084	1,065,391
Reserves (Note 6)	490,180	119,578
	1,872,264	1,184,969
	$4,737,069	**$4,179,879**

The accompanying notes are part of these financial statements.

STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 1991

	Operating	Capital	Restricted	Total 1991	Total 1990
REVENUE					
Grants, Province of Alberta (Note 7)	$5,838,585	$ 182,875	$ 150,000	$6,171,460	$5,898,562
Other grants	35,822	-	-	35,822	56,065
Tuition fees	481,865	-	-	481,865	440,818
Donations	320,786	20,743	119,371	460,900	326,398
Interest	52,229	2,873	110,478	165,580	140,976
Continuing education fees	191,887	-	-	191,887	170,992
Sales, rentals and services	48,899	-	-	48,899	20,570
Proceeds from disposal of capital assets	-	12,266	-	12,266	3,486
Other	9,186	-	-	9,186	6,890
	6,979,259	218,757	379,849	7,577,865	7,064,757
EXPENDITURE					
Direct instruction	3,715,788	-	-	3,715,788	3,507,664
Indirect instruction	744,014	-	-	744,014	674,813
Campus operations	525,443	-	-	525,443	664,201
Board and president	325,639	-	-	325,639	351,030
Education management	218,480	-	-	218,480	205,456
Student services	325,247	-	62,159	387,406	311,843
Finance and administration	656,104	-	-	656,104	584,765
Continuing education	252,669	-	-	252,669	233,871
Acquisition of capital assets	-	62,476	-	62,476	142,627
Alumni Association	2,551	-	-	2,551	3,500
	6,765,935	62,476	62,159	6,890,570	6,679,770
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE	213,324	156,281	317,690	687,295	384,987
INTER-FUND TRANSFERS	107,667	(101,517)	(6,150)	-	-
RESERVES					
Returned to fund balance	6,617	-	-	6,617	34,437
Appropriated from fund balance	(377,219)	-	-	(377,219)	(71,274)
CHANGES IN FUND BALANCES	(49,611)	54,764	311,540	316,693	348,150
FUND BALANCES AT BEGINNING OF YEAR	168,034	(453)	897,810	1,065,391	717,241
FUND BALANCES AT END OF YEAR	**$118,423**	**$54,311**	**$1,209,350**	**$1,382,084**	**$1,065,391**

STATEMENT OF CHANGES IN EQUITY IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 1991

	1991	1990
Balance at beginning of year	$2,728,435	$2,609,608
Add: Acquisition of capital assets	62,476	142,627
	2,790,911	2,752,235
Less: Cost of capital asset disposals	27,158	3,099
Write-off of capital assets	5,688	20,701
	32,846	23,800
Balance at end of year	**$2,758,065**	**$2,728,435**

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1990

Note 1 Authority

The Alberta College of Art operates under the authority of the Colleges Act, Chapter C-18, Revised Statutes of Alberta 1980, as amended.

Note 2 Summary of Significant Accounting Policies

(a) General

These financial statements have been prepared using an accrual basis of accounting that has gained general acceptance through usage by post-secondary educational institutions in Alberta. Accordingly capital assets are not depreciated and liability for vacation pay is not accrued.

(b) Fund Accounting

The accounts of the College are maintained in accordance with the principles of fund accounting. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives. These funds are described as follows:

- *The Operating Fund accounts for the revenues and expenditures associated with the primary educational activities of the College.*
- *The Capital Fund accounts for the revenues and expenditures associated with the acquisition and disposal of the capital assets of the College.*
- *The Restricted Fund accounts for donations for which donors have specified the purpose, including endowments for which donors have specified that the principal is to be held intact.*

(c) Inventories

Inventories of supplies are valued at the lower of cost or net realizable value, as estimated by management.

(d) Capital Assets

Capital assets purchased are recorded at cost. Capital assets transferred from the Southern Alberta Institute of Technology are recorded at a value agreed between the College and the Institute based on original cost, except for the permanent art collection which is recorded at appraised value. Donated assets are recorded at fair market value.

(e) Deferred Revenue

The unearned portion of conditional grants and amounts received for programs commencing in the next fiscal year are recorded as deferred revenue

(f) Donations

Donations are reported as revenue in the fiscal year received.

(g) Inter-fund Transfers

Within the activities or objectives specified by donors and other sources outside the College, policies have been established to transfer amounts between funds to achieve the financial objectives of the College.

(h) Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3 Accounts Receivable

Accounts receivable are summarized as follows:

	1991	1990
Employee loans and advances	$ 73,699	$ 63,914
Due from Students' Assoc.	20,573	38,970
Other	48,792	21,232
	$ 143,064	$ 124,116

Note 4 Capital Assets

Capital assets are summarized as follows:

	1991	1990
Furniture and equipment	$1,167,683	$1,148,703
Leasehold improvements	1,416,414	1,416,414
Permanent art collection	173,968	163,318
	$2,758,065	$2,728,435

The land and buildings occupied by the College are leased for an indefinite period from the Southern Alberta Institute of Technology.

Note 5 Restricted Funds

Restricted funds transactions are summarized as follows:

	Balance at Beginning of Year	Add Revenue	Deduct Expenditure & Transfer	Balance at End of Year
Endowment funds:				
Principal	$814,541	$273,419	$ -	$1,087,960
Expendable	77,829	93,882	52,857	118,854
	892,370	367,301	52,857	1,206,814
Scholarships	5,440	12,548	15,452	2,536
	$897,810	$379,849	$68,309	$1,209,350

Note 6 Reserves

Reserves established by management are summarized as follows:

	Balance at Beginning of Year	Deduct Returned to Fund Balance	Add Appropriated From Fund Balance	Balance at End of Year
Early retirement incentive	$ 73,507	$ -	$ 6,464	$ 79,971
Visual communications	14,071	6,617	-	7,454
Professional Develop.	32,000	-	-	32,000
Capital Renewal	-	-	303,755	303,755
Minor Capital	-	-	60,000	60,000
GST Contingency	-	-	7,000	7,000
	$119,578	$ 6,617	$377,219	$490,180

Note 7 Grants, Province of Alberta

Grants from the Province of Alberta are summarized as follows:

	1991	1990
Operating		
Base	$5,838,585	$5,594,562
Capital		
General capital	182,875	154,000
Restricted		
Matching	150,000	150,000
	$6,171,460	$5,898,562

Note 8 Operating Fund Expenditures

Operating fund expenditures are summarized by object of expenditure as follows:

	1991	1990
Salaries, wages and benefits	$5,453,009	$5,132,005
Supplies and materials	309,530	346,217
Caretaking	197,151	192,194
Printing and publications	151,492	169,924
Repairs and maintenance	112,342	96,827
Security	75,257	78,035
Hospitality and special events	66,917	83,569
Contracts	57,857	74,526
Telephone	39,125	37,250
Travel	35,623	38,288
Advertising and promotion	33,384	28,662
Postage	30,217	27,393
Bank charges	22,966	13 579
Insurance and legal	19,119	19,877
Equipment rentals	17,637	25,304
Goods and services tax	12,737	-
Bad debts	55	1,340
	6,634,418	6,364,990
Minor capital		
Renovations	49,272	50,657
Library resources	42,792	43,179
Equipment	39,453	20,946
	$6,765,935	$6,479,772

Note 9 Pension Costs and Obligations

The College's employees are eligible for membership in the provincially operated Local Authorities Pension Plan. Although this is a defined benefit pension plan, any experience gains or losses determined by actuarial valuations are the responsibility of the Province of Alberta. Accordingly, no disclosure has been made in these financial statements relating to the effects of participation in the Pension Plan by the College and its employees.

Note 10 Approval of Financial Statements

These financial statements were approved by management.